<u>REMARKS</u>

Applicants respectfully request reconsideration of the present U.S. Patent application as amended herein. Claims 1, 3, 11, 13, 21, 23 and 24 have been amended. No claims have been added or canceled. Thus, claims 1-8, 10-18 and 20-30 are pending.

Claim Rejections - 35 U.S.C. § 112

Claims 1-8, 10-18 and 20-30 were rejected under 35 U.S.C. § 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to make and/or use the invention. Specifically, the Office Action states:

Claims 1, 11, 21 and 24, failed to teach how the cardinality is implemented. The specification does not teach how the license determines the number of playback devices the license can be use to authorize the playback.

See page 2, comment 5. The Office Action further states:

The disclosure teaches that every playback devices [sic] that have the license stored are authorized to playback the digital content, whether they belong to a set of playback devices or not.

See page 3, comment 5 (continued from page 2). Applicants submit that this is not an accurate characterization of the teachings of the specification. The playback devices that store a particular license define the set of playback devices authorized to playback associated content. Playback devices can belong to multiple groups.

Applicants submit that the specification <u>does</u> teach at least one implementation technique for managing the cardinality of a license. For example, the specification states:

License management device 510 enforces the cardinality restrictions of the licenses created. In one embodiment, license management device 510 causes licenses to be stored by playback devices by issuing one or more commands to the playback devices to which the licenses are targeted. ... Alternately, license management device 510 can

communicate the creation of a license to an appropriate content provider that, in turn, includes the license in digital content.

See page 12, lines 8-15.

Thus, in one embodiment, a license management device enforces the cardinality of a particular license. Because the distribution of licenses is controlled by a "central" device, the number of playback devices that store a particular license can be limited to the cardinality of the license. This can be accomplished, for example, by having a counter associated with each license. When a license is caused to be stored in a playback device, the counter is incremented/decremented until the maximum number of licenses are distributed. Applicants submit that one of ordinary skill in the art would be able to implement this or another architecture for enforcing cardinality restrictions related to a license.

For at least the foregoing reasons, Applicants submit that the specification provides sufficient detail to enable one of ordinary skill in the art to practice and/or use the claimed invention. Therefore, Applicants request that the rejection of claims 1-8, 10-18 and 20-30 under 35 U.S.C. § 112, second paragraph be withdrawn.

Claim Rejections - 35 U.S.C. § 102

Claims 1-8, 10-18 and 20-30 were rejected under 35 U.S.C. § 102(e) as being clearly anticipated by U.S. Patent No. 5,969,283 issued to Looney, et al. (*Looney*). For at least the reasons set forth below, Applicants submit that claims 1-8, 10-18 and 20-30 are not anticipated by *Looney*.

Claim 1 recites the following:

creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be

authorized for playback of associated digital audio content, the license created by a license management device;

storing the first license in a first set of playback devices in response to a command from the license management device, wherein the first set of playback devices is less than or equal to the first cardinality;

storing the first license in first digital audio content; and authorizing playback of the first digital audio content with the first set of playback devices.

Thus, Applicants claim creating and storing a license that is used to authorize playback of digital audio content. Claims 11, 21 and 24 similarly recite creation and storing of licenses in a set of playback devices.

Looney discloses a music organizer. See Abstract. The playback devices of Looney have a pre-loaded serial number. See col. 6, lines 13-14. Even if the serial number is used to authorize playback of music, the serial number is not stored by a playback device in response to a license management device. Furthermore, the serial number does not have an associated cardinality that is determined by the license management device. Therefore, Looney does not anticipate the invention as claimed in claims 1, 11, 21 and 24.

Claims 2-8 depend from claim 1. Claims 12-18 and 20 depend from claim 11.

Claims 22 and 23 depend from claim 21. Claims 25-30 depend from claim 24. Because dependent claims include the limitations of the claims from which they depend,

Applicants submit that claims 2-8, 12-18, 22, 23 and 25-30 are not anticipated by *Looney* for at least the reasons set forth above.

Claim Rejections - 35 U.S.C. § 103

Claims 3, 13, 23 and 25-27 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Looney* in view of U.S. Patent No. 5,745,879 issued to Wyman

(Wyman). For at least the reasons set forth below, Applicants submit that claims 3, 13, 23 and 25-27 are not rendered obvious by Looney and Wyman.

Claim 3 depends from claim 1. Claim 13 depends from claim 11. Claim 23 depends from claim 21. Claims 25-27 depend from claim 24. As discussed above, *Looney* does not teach or suggest the invention in claims 1, 3, 11, 13, 21, 23 and 24-30. *Wyman* is cited to teach different nodes belonging to different accounts. Whether or not *Wyman* discloses different nodes belonging to different accounts, *Wyman* does not cure the deficiencies of *Looney*. Therefore, no combination of *Looney* and *Wyman* teaches or suggests the invention as claimed in claims 3, 13, 23 and 25-27.

Conclusion

For at least the foregoing reasons, Applicants submit that the rejections have been overcome. Therefore, claims 1-8, 10-18 and 20-30 are in condition for allowance and such action is earnestly solicited. The Examiner is respectfully requested to contact the undersigned by telephone if such contact would further the examination of the present application.

Please charge any shortages and credit any overcharges to our Deposit Account number 02-2666.

Respectfully submitted, BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN, LLP

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2001.

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MARKED VERSION OF THE AMENDED CLAIMS

1. (Four Times Amended) A method comprising:

creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

transmitting, via a network connection, [storing] the first license to [in] a first set of playback devices [in response to a command from the license management device], wherein the first set of playback devices is less than or equal to the first cardinality;

storing the first license in the first set of playback devices in response to a command from the license management device;

storing the first license in first digital audio content; and authorizing playback of the first digital audio content with the first set of playback devices.

3. (Amended) The method of claim 1 further comprising:

creating a second license having a second cardinality, the license created by the license management device;

transmitting, via a network connection, [storing] the second license to [in] a second set of playback devices, wherein the second set of playback devices is determined based, at least in part, on the second cardinality, and further wherein at least one playback device belongs to the first set and to the second set;

storing the second license in the second set of playback device in response to one or more commands from the license management device;

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storing the second license in second digital audio content;

authorizing playback of the second digital audio content with the second set of playback devices.

11. (Four Times Amended) A machine-readable medium having stored thereon sequences of instructions that when executed one or more electronic systems to:

create a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

transmit, via a network connection, [storing] the first license to [in] a first set of playback devices [in response to a command from the license management device], wherein the first set of playback devices is less than or equal to the first cardinality;

store the first license in the first set of playback devices in response to a command from the license management device;

store the first license in first digital audio content; and
authorize playback of the first digital audio content with the first set of playback
devices.

13. (Twice Amended) The machine-readable medium of claim 11 further comprising sequences of instructions that when executed cause the one or more electronic systems to:

create a second license having a second cardinality, the license created by the license management device;

transmit, via a network connection. [storing] the second license to [in] a second set of playback devices, wherein the second set of playback devices is determined based, at least in part, on the second cardinality, and further wherein at least one playback device belongs to the first set and to the second set;

store the second license in the second set of playback device in response to one or more commands from the license management device;

store the second license in second digital audio content;

authorize playback of the second digital audio content with the second set of playback devices.

21. (Three Times Amended) An apparatus for digital license management, the apparatus comprising:

means for creating a first license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license created by a license management device;

means for <u>transmitting</u>, <u>via a network connection</u>, [storing] the first license <u>to</u> [in] a first set of playback devices [in response to a command from the license management device], wherein the first set of playback devices is less than or equal to the first cardinality;

means for storing the first license in the first set of playback devices in response to a command from the license management device;

means for storing the first license in first digital audio content; and

means for authorizing playback of the first digital audio content with the first set of playback devices.

23. (Twice Amended) The apparatus of claim 21 further comprising:
means for creating a second license having a second cardinality, the license
created by the license management device;

means for <u>transmitting</u>, <u>via a network connection</u>, [storing] the second license <u>to</u>
[in] a second set of playback devices, wherein the second set of playback devices is
determined based, at least in part, on the second cardinality, and further wherein at least
one playback device belongs to the first set and to the second set;

means for storing the second license in the second set of playback device in response to one or more commands from the license management device;

means for storing the second license in second digital audio content;

means for authorizing playback of the second digital audio content with the second set of playback devices.

24. (Twice Amended) A digital data signal embodied in a data communications medium shared among a plurality of network devices to provide digital audio programming, the digital data signal comprising license having a first cardinality, wherein the cardinality indicates the number of playback devices that can be authorized for playback of associated digital audio content, the license having been created by a license management device, [the digital data signal further comprising a first digital audio content that is at least a subset of the digital audio programming,] wherein a set of

playback devices receive the digital data signal in response to one or more commands issued by the license management device and authorize playback of [the first] digital audio data [signal] if the license included in the computer data signal matches at least one license stored in the digital audio data [respective playback devices].